



DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-867]

Large Power Transformers from the Republic of Korea: Final Results of Antidumping Duty Administrative Review; 2020-2021

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The U.S. Department of Commerce (Commerce) determines that Hyosung Heavy Industries Corporation (Hyosung) made sales of large power transformers from the Republic of Korea (Korea) at less than normal value during the period of review (POR) August 1, 2020, through July 31, 2021.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: John Drury, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, D.C. 20230; telephone: (202) 482-0195.

SUPPLEMENTARY INFORMATION:

Background

On September 13, 2022, Commerce published the *Preliminary Results* and invited interested parties to comment on the *Preliminary Results*.¹ A summary of the events that occurred since Commerce published these *Preliminary Results*, as well as a full discussion of the issues raised by parties for these final results, may be found in the Issues and Decision Memorandum.²

¹ See *Large Power Transformers from the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review, 2020–2021*, 87 FR 55993 (September 13, 2022) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum.

² See Memorandum, “Issues and Decision Memorandum for the Final Results of the Administrative Review of the Antidumping Duty Order on Large Power Transformers from the Republic of Korea; 2020-2021,” dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

On January 9, 2023, Commerce extended the deadline for these final results of review until March 10, 2023.³ Commerce conducted this administrative review in accordance with section 751 of the Tariff Act of 1930, as amended (the Act).

Scope of the Order

The scope of this order covers large liquid dielectric power transformers having a top power handling capacity greater than or equal to 60,000 kilovolt amperes (60 megavolt amperes), whether assembled or unassembled, complete or incomplete. The merchandise subject to the order is currently classified in the Harmonized Tariff Schedule of the United States at subheadings 8504.23.0040, 8504.23.0080, and 8504.90.9540. For a complete description of the scope of the order, *see* the accompanying Issues and Decision Memorandum.

³ See Memorandum, "Extension of Deadline for Final Results of Antidumping Duty Administrative Review; 2020-2021," dated January 9, 2023.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties to this administrative review are addressed in the Issues and Decision Memorandum. For a list of the issues raised by parties, *see* the appendix to this notice.

Changes Since the *Preliminary Results*

Based on our review of the record and comments received from interested parties, we made certain changes to the margin calculations for Hyosung for these final results of review.⁴ As a result of these changes, the weighted-average dumping margin also changes for the companies subject to this review, but not selected for individual examination.

Rates for Non-Selected Respondents

The Act and Commerce's regulations do not address the establishment of a rate to be applied to companies not selected for individual examination when Commerce limits its examination in an administrative review pursuant to section 777A(c)(2) of the Act. Generally, Commerce looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in a market economy investigation, for guidance when calculating the rate for companies which were not selected for individual examination in an administrative review. Under section 735(c)(5)(A) of the Act, the all-others rate is normally "an amount equal to the weighted average of the estimated weighted average dumping margins established for exporters and producers individually investigated, excluding any zero and *de minimis* margins, and any margins determined entirely {on the basis of facts available}."

For these final results, we continue to calculate a weighted-average dumping margin for Hyosung that is not zero, *de minimis*, or determined entirely on the basis of facts available. Accordingly, for these final results, we have assigned the rate calculated for respondent Hyosung to all of the non-selected respondents, as listed below.

⁴ See Issues and Decision Memorandum at Comment 1; *see also* Memorandum, "Analysis of Data Submitted by Hyosung Corporation in the Final Results of the 2020-2021 Administrative Review of the Antidumping Duty Order on Large Power Transformers from the Republic of Korea," dated concurrently with this notice.

Final Results of Review

We determine that the following estimated weighted-average dumping margins exist for the period August 1, 2020, through July 31, 2021:

Producer/Exporter	Estimated Weighted-Average Dumping Margin (percent)
Hyosung Heavy Industries Corporation	4.32
Hyundai Electric & Energy Systems Co., Ltd.	4.32
Iljin Electric Co., Ltd.	4.32
Iljin	4.32
LSIS Co., Ltd.	4.32

Disclosure

We will disclose the calculations performed to parties in this proceeding within five days after the date of publication in the *Federal Register* of these final results of review, in accordance with 19 CFR 351.224(b).

Assessment Rate

Pursuant to section 751(a)(2)(C) of the Act and 19 CFR 351.212(b)(1), Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries of subject merchandise in accordance with the final results of this review.⁵ For Hyosung, we calculated importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping calculated for the importer's examined sales to the total entered value of those same sales, in accordance with 19 CFR 351.212(b)(1). Upon issuance of the final results of this administrative review, if any importer-specific assessment rates calculated in the final results are above *de minimis* (i.e., at or above 0.5 percent),⁶ Commerce will issue

⁵ In these final results, Commerce applied the assessment rate calculation method adopted in *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification*, 77 FR 8101 (February 14, 2012).

⁶ See 19 CFR 351.106(c)(2).

instructions directly to CBP to assess antidumping duties on appropriate entries. Where an importer-specific assessment rate is zero or *de minimis*, the entries by that importer will be liquidated without regard to antidumping duties.

For entries of subject merchandise during the POR produced by Hyosung for which it did not know its merchandise was destined for the United States, we will instruct CBP to liquidate unreviewed entries at the all-others rate in the less-than-fair-value investigation if there is no rate for the intermediate company(ies) involved in the transaction.⁷ For the companies that were not selected for individual examination, we will instruct CBP to liquidate entries at the rates established in these final results of review.

Commerce intends to issue appropriate assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of this notice for all shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication of these final results, as provided by section 751(a)(2) of the Act: (1) the cash deposit rates for the companies subject to this review will be equal to the weighted-average dumping margins established in the final results of this administrative review; (2) for merchandise exported by producers or exporters not covered in this administrative review but covered in a prior segment of the proceeding, the cash deposit rate will continue to be the company specific rate published for the most recently completed segment of this proceeding; (3) if the exporter is not a firm covered in this review, a prior review, or the original investigation,

⁷ See *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

but the producer is, the cash deposit rate will be the rate established for the most recently completed segment of this proceeding for the producer of the subject merchandise; and (4) the cash deposit rate for all other producers or exporters will continue to be 22.00 percent, the all-others rate established in the less-than-fair-value investigation.⁸ These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers Regarding the Reimbursement of Duties

This notice also serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during the POR. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties did occur and the subsequent assessment of doubled antidumping duties.

Administrative Protective Order

This notice also serves as a reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the return/destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

Notification to Interested Parties

We are issuing and publishing this notice in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.213(h) and 19 CFR 351.221(b)(5).

Dated: March 10, 2023.

Lisa W. Wang,
Assistant Secretary
for Enforcement and Compliance.

⁸ See *Large Power Transformers from the Republic of Korea: Antidumping Duty Order*, 77 FR 53177 (August 31, 2012).

Appendix

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Changes Since the *Preliminary Results*
- V. Discussion of the Issues
 - Comment 1: Calculation of Indirect Selling Expenses (ISE) Incurred in the United States
 - Comment 2: Whether Commerce Should Correct Errors in Reported Expenses for One Sale
 - Comment 3: Whether Commerce Should Apply the Transactions Disregarded Rule to Certain Hyosung Purchases of Materials
 - Comment 4: Rate for Non-Selected Respondents
- VI. Recommendation

[FR Doc. 2023-05386 Filed: 3/15/2023 8:45 am; Publication Date: 3/16/2023]